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half mortgaged. About 12,000 more were buying their homes on time payments. Ninety-nine thousand were renting their homes. In 15,000 cases this information was not reported.

The proportion of wage-earners who were renting their homes was much higher, 53 per cent, than the proportion of employers who were renting, only 25 per cent. Of persons in business or working on their own account, not employing others, a slightly larger proportion (30 per cent) than of employers, were renting their homes.

Other tables show the economic status in relation to the renting value of the home and the size of the household in connection with home ownership.

It is to be regretted that the tables are published without critical and analytical text. The material would be very much more useful if the statistical definitions of units and cautions in regard to the interpretation of the figures were given. It should be mentioned, however, that summaries of the principal statistical results of census as well as registration statistics are published in the official year books.

ROBERT M. WOODBURY.

FEDERAL RESERVE BOARD'S INDEXES ON CONDITION OF RETAIL TRADE

It has long been recognized that the condition of retail trade constitutes a valuable indication of the probable changes in business weather. Nevertheless, it has been the custom in current trade periodicals for the situation in retail trade to be reported in highly subjective and descriptive terms, that is to say, by such words as poor, fair, good, very good, etc. It was for the purpose of rendering current reports of the condition of retail trade in as objective terms as possible that the Division of Analysis and Research of the Federal Reserve Board undertook, through the Federal Reserve agent's department of each of the Federal Reserve banks, to compile and publish monthly statistics designed to reflect the condition of retail trade throughout this country. For this purpose the large department stores in the more important cities throughout the United States were chosen as a source of information. The data compiled each month are as follows:

1. (A) Net sales (selling price) for current month as compared with same month last year.

- (B) Net sales (selling price) for current season to date (seasons begin January 1st and July 1st) as compared with similar period the previous year.

2. (A) Stocks (selling price) on hand at end of current month as compared with stocks at end of same month last year.

- (B) Stocks (selling price) on hand at end of current month as compared with stocks on hand at end of previous month.

3. Ratio between average stocks on hand at end of each month during the current season (seasons begin January 1st and July 1st) and net sales for the same period.

4. Percentage of outstanding orders (cost price) at end of current month to total purchase (cost price) during the previous calendar year. This ratio is designed to

reflect the extent to which merchants are ordering goods for the coming months and the extent to which they are holding back for more favorable prices or conditions.

In some of the Federal Reserve districts this information is obtained from all of the stores in dollar amounts, from which the agents compute the district and city percentages and ratios. In other districts some of the stores prefer to furnish the information in the form of percentages, that is to say, for instance, the percentage increase (or decrease) in net sales during the current month over net sales during the same month the previous year. When all of the stores reporting in any district give the information in dollar amounts, the preparation of composite or average figures for that district is, of course, relatively simple. Where, however, the stores prefer to furnish the data in percentage form, the problem of proper weights to be used in making composite figures by cities or for the district arises. The weights now being used for this purpose are derived from net sales for the previous calendar year.

Composite figures by cities (where sufficient stores are reporting in a city to render it impossible for any one to deduce figures for the individual store) and for the district are computed by the Federal Reserve agent as soon as all of the reports are in. These average or composite figures are immediately forwarded to contributing stores. The data for each Federal Reserve District also appear in the published report of the Federal Reserve Bank on business conditions, which comes from the press about the twenty-fifth of each month. The reports from each of the districts are assembled and published in the *Federal Reserve Bulletin* showing the state of retail trade throughout the whole country. This service is rapidly gaining the confidence and interest of large retail trade merchants throughout the country. At present about one hundred and fifty stores are reporting each month. It is thought that in the comparatively near future at least two hundred stores will be reporting regularly.

Although encouraging progress has been made, the service is yet in process of being built up. Ten or fifteen new stores are added to the reporting list each month. For this reason caution should be observed in interpreting the figures over a period of time, though, of course, comparisons are made between identical stores in any given month. It is interesting, however, to note the reflection, in the accompanying table taken from the *Federal Reserve Bulletin*, of the slowing up in retail trade—which, as is well known, has been going on for several months—the effect of reduction sales in several of the centers, and consequent upon the latter, the improvement in turnover. The figures of outstanding orders are particularly difficult to interpret at this time, due to the disturbed transportation situation. There is no doubt that in many cases, particularly a month or two ago, the outstanding orders included orders on which delivery was overdue as well as actual orders for future delivery.

It is not claimed, of course, that these figures are perfect for the purpose of reflecting the condition of retail trade. Their most serious shortcoming is the fact that they are in terms of values. This requires, of course, that the influence of fluctuating prices be eliminated by the individual's making use of the material. However, as yet no practicable method of obtaining this information in terms of

CONDITION OF RETAIL TRADE IN FEDERAL RESERVE DISTRICTS NOS. 1, 2, 3,
4, 5, 6, 7, 10, AND 12*
[Percentage of Increase]

Comparison of Net Sales with Those of Corresponding Period Previous Year								
District and City	March, 1920	April, 1920	May, 1920	Jan. 1, 1920, to Close of—				
				June, 1920	March, 1920	April, 1920	May, 1920	June, 1920
District No 1:								
Boston.....	38.9	16.8	19.4	27.8	30.7	26.1	24.7	25.3
Outside.....	29.4	26.0	25.5	28.5	36.4	33.1	30.5	30.0
District.....	37.5	18.5	20.7	28.0	31.6	27.5	25.8	26.2
District No 2:								
New York City and								
Brooklyn.....	66.6	15.0	41.1	26.4	59.3	35.0	35.3	32.7
Outside.....	50.4	22.4	22.8	32.3	38.1	33.6	30.1	31.7
District.....	64.8	15.8	35.4	28.4	57.0	34.9	33.7	33.8
District No. 3.....	37.5	12.4	50.7	34.3	26.2	20.5	30.9	31.4
District No. 4.....	45.5	18.4	31.3	31.5	38.2	33.6	32.1	34.6
District No. 5.....	23.1	3.9	11.0	21.4	12.1	8.8	9.3	11.6
District No. 6.....	27.4	23.4	31.0	24.3	29.9	22.0	28.1	29.3
District No. 7.....	65.2	33.3	49.7	59.6	57.4	43.5	49.6	58.7
District No. 10.....	24.6	19.6	10.9	12.9	26.9	24.9	21.2	17.9
District No. 12:								
Los Angeles.....	58.4	43.6	38.2	39.0	61.2	56.1	52.2	49.8
San Francisco.....	35.4	28.5	40.9	23.6	39.7	36.6	37.6	35.3
Oakland.....	31.0	14.9	17.1	15.2	32.3	27.9	25.6	23.2
Sacramento.....	65.1	33.9	34.4	32.1	60.9	47.5	39.4	38.3
Seattle.....	19.2	4.3	6.3	11.1	21.8	16.2	13.9	13.4
Spokane.....	19.8	10.9	48.8	62.8	26.8	23.1	29.1	35.7
Salt Lake City.....	10.5	7.1	26.4	18.3	15.1	12.8	16.4	14.7
District.....	37.8	13.8	31.2	27.8	41.0	36.9	34.7	33.2
Stocks at End of Month Compared with—								
District and City	Same Month Previous Year				Previous Month			
	March, 1920	April, 1920	May, 1920	June, 1920	March, 1920	April, 1920	May, 1920	June, 1920
District No. 1:								
Boston.....	42.3	45.2	44.5	43.8	9.9	4.0	13.4	5.6
Outside.....	44.9	43.2	43.8	36.3	11.9	2.8	11.8	5.1
District.....	42.8	44.7	44.3	41.4	10.2	3.7	12.9	5.5
District No. 2:								
New York City and								
Brooklyn.....	69.6	53.8	47.9	45.5	27.9	1.3	16.6	5.4
Outside.....	60.6	51.6	51.7	38.4	9.3	11.4	11.7	7.7
District.....	68.6	53.6	49.1	43.2	25.8	1.4	15.0	6.1
District No. 3.....	24.3	25.7	30.4	26.7	12.3	5.4	16.7	3.0
District No. 4.....	56.1	63.9	57.0	53.3	11.6	7.3	1.9	1.0
District No. 5.....	51.5	59.5	67.1	57.2	14.1	1.1	2.3	9.2
District No. 6.....	41.1	29.9	50.2	47.2	4.7	3.0	1.5	5.6
District No. 7.....	64.9	39.9	49.7	77.1	10.1	...	2.1	.0
District No. 10.....	38.9	43.3	40.7	39.6	7.8	3.1	16.1	8.8
District No. 12:								
Los Angeles.....	58.3	64.9	65.0	62.9	7.8	3.7	1.5	.4
San Francisco.....	62.2	60.7	54.9	58.5	6.1	2.4	16.5	5.2
Oakland.....	35.2	34.4	29.7	33.9	6.5	1.5	1.6	2.6
Sacramento.....	61.8	29.4	34.1	...	3.7	...	11.5	.1
Seattle.....	53.8	55.5	46.7	35.6	14.9	...	16.7	8.7
Spokane.....	63.3	39.0	59.6	57.3	27.9	140.2	15.7	4.4
District.....	58.0	56.5	52.6	52.5	9.6	...	14.7	3.0

CONDITION OF RETAIL TRADE IN FEDERAL RESERVE DISTRICTS—*Continued*

District and City	Percentage of Average Stocks at End of Each Month to Average Monthly Sales for Same Period				Percentage of Outstanding Orders at End of Month to Total Purchases During Previous Calendar Year			
	Jan. 1, 1920, to End of—				March, 1920	April, 1920	May, 1920	June, 1920
	March, 1920	April, 1920	May, 1920	June, 1920				
District No. 1:								
Boston.....	509.5	389.8	348.4	339.2	18.8	15.8	15.4	15.4
Outside.....	320.5	464.7	442.5	431.7	18.6	15.5	7.5	10.0
District.....	389.9	405.2	366.5	358.0	18.7	15.7	12.7	12.3
District No. 2:								
New York City and								
Brooklyn.....	384.7	403.1	392.4	379.9	18.8	17.6	15.5	16.8
Outside.....	372.3	392.8	415.7	349.5	20.3	21.8	13.9	17.7
District.....	383.4	402.0	399.4	369.9	19.0	18.2	14.8	17.2
District No. 3.....	380.0	347.0	382.6	357.5	24.8	23.5	17.6	19.3
District No. 4.....	369.1	439.0	362.8	352.3	19.4	34.8	13.2	16.2
District No. 5.....	423.8	422.2	421.5	407.8	16.9	12.1	9.9	9.7
District No. 6.....	305.8	.....	.....	.....	20.9	20.1	20.6	17.0
District No. 7.....	298.6	332.5	.....	328.3	31.4	31.2	31.9	19.5
District No. 10.....	337.6	272.1	285.4	353.7	14.6	18.0	5.4	25.3
District No. 12:								
Los Angeles.....	468.3	390.7	480.4	481.3	33.9	39.0	29.7	26.2
San Francisco.....	494.9	492.3	469.8	508.8	31.0	27.7	23.9	26.0
Oakland.....	610.7	585.2	589.5	573.8	.....	.....	.....	.....
Sacramento.....	.....	.....	533.4	531.3	.....	.....	.....	.....
Seattle.....	542.6	527.9	539.7	524.6	17.6	17.2	14.2	16.3
Spokane.....	605.8	528.8	605.4	579.4	34.7	.....	31.1	25.1
Salt Lake City.....	.....	.....	.....	.....	.....	.....	.....	.....
District.....	515.3	456.0	508.0	516.0	27.2	21.6	23.2	23.1

¹ Decrease.

* The Federal Reserve Districts listed above are numbered as follows: District No. 1, Boston; No. 2, New York; No. 3, Philadelphia; No. 4, Cleveland; No. 5, Richmond; No. 6, Atlanta; No. 7, Chicago; No. 10, Kansas City; and No. 12, San Francisco.

physical quantities has been devised. No attempt has been made to combine figures of the various sections of the country into one set of indexes reflecting the condition of retail trade throughout the country. It is felt that such a figure would be of doubtful value, inasmuch as the condition of retail trade in the large centers may be quite different from that in the smaller cities and rural districts. It is the purpose of the Federal Reserve Board to make every effort to build up this reporting service until it includes a representative number of retail stores throughout the country.

F. W. JONES.

DEVELOPMENTS IN THE BANKING FIELD WITH SPECIAL
REFERENCE TO FEDERAL RESERVE MATTERS

In accordance with the plan adopted last year of publishing a mid-summer statistical review supplementary to the more elaborate presentation in the annual report, the July number of the *Federal Reserve Bulletin* contains a series of tables showing developments in the banking situation during the past year.

The following table shows the condition of all the banks belonging to the